19 20.

AIR QUALITY PERMIT **BONDING & INSURANCE**



DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Mine Name: Savage Coal Terminal County: Carbon Permit Number: ACT/007/022



INSPECTION REPORT

Michael O. Leavitt Governor

Lowell P. Braxton Division Director 801-538-7223 (TDD)

PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax)

Permittee and/or Operator's Name: Savage Industries, Inc.

1594 West North Temple, Suite 1210

Partial: Complete: XXX Exploration: Inspection Date & Time: 2/2/99 / 9:00a.m.-3:00p.m. Date of Last Inspection: 1/11/99

ENF
Ĺ
Ĺ
Ĺ
L
L
ļ
1
ļ
ŀ
ĺ
•
1
ĺ
ĺ
l
l
Ĺ
L
ļ I
l I
İ
ı I

(Continuation sheet)

Page 2 of 5

PERMIT NUMBER: ACT/007/022

DATE OF INSPECTION: 2/2/99

(Comments are Numbered to Correspond with Topics Listed Above)

General Comments

A complete inspection of the Savage Coal Terminal was completed on 2/2/99. The inspection consisted of a record inspection and a field inspection of the loadout.

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

Permits on file included the following:

- -DOGM permit approved 8/8/94, expires 8/7/99.
- -Amendment to the MRP are on file at the consultant's office. The last amendment approved the reclamation of eight water monitoring wells including deleting these wells from the water monitoring program. The permittee has not completed well reclamation as required by the Division because of weather conditions.

OTHER PERMITS ON FILE include the following:

- -DEQ UPDES permit #UT0G040005 was issued 6/1/98 and expires 4/30/2003. The permit has one outfall, 001A and discharge report showing no discharge was submitted for the month of December 1998.
- -Air quality order is on file at the office and is dated 1/10/97. The permittee has submitted a notice of intent to update the order which is currently pending before the State Division of Air quality. At the loadout, Mr. Rhodes gave Mr. Guy a copy of the amended air quality order approved 9/3/98 that itemizes all air related equipment and allows processing of 8 million tons of coal at the Savage Coal Terminal.
- -Other authorizations include rights-of-way (ROW) for a buried water line from land owners. The pipeline starts on the permittee's patented land across other lands covered by a ROW to the Price River pump station.
- -Protection of employees and coal rules concerning whistle blowing (R645-301-104) has been complied with by the permittee. Savage employees have acknowledged receiving a copy of the foregoing rules.

Annual report for CY 1997 is on file at the office.

3. TOPSOIL

The pre-SMCRA disturbances embrace 35 acres where topsoil was not harvested; 35 acres had topsoil removed before disturbance. The topsoil is stored, vegetated, and lies in the south-westerly portion of the disturbed permit area.

(Continuation sheet)

Page <u>3</u> of <u>5</u>

PERMIT NUMBER: ACT/007/022

DATE OF INSPECTION: 2/2/99

(Comments are Numbered to Correspond with Topics Listed Above)

4A. HYDROLOGIC BALANCE: DIVERSIONS

The loadout has both designed disturbed and undisturbed diversions. The undisturbed diversion lie in the southerly, westerly, and northerly extremities of the permit area. The disturbed diversions convey disturbed runoff to the sediment ponds.

Diversion calculations are shown on Table 7-20 and include 28 culverts. Refuse pile drainage system is designed to meet the 6 hr 100 yr storm event. "As constructed" impoundment details are shown on Plate 7-4, 7-4a, and 7-4b.

Several culverts were cleaned of sediment prior to the inspection and the material was temporarily stored adjacent to the diversion. The permittee stated that the material will be placed on the refuse pile.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

Seven water impoundments are designed and described in the MRP. Sediment ponds include ponds 1,2,3,5, and 6. Pond #4 is a coal wash water storage impoundment. The sediment ponds all discharge into pond #6. The annual impoundment inspection covering six impoundments is dated 7/98. The last quarterly inspection was completed for the fourth quarter.

Sediment ponds 1,2, and 3 were dry. Pond 5 and 6 contained runoff. Sediment control measures are shown on Plate 3-2. All sediment ponds have markers to indicate when pond clean-out must be undertaken.

4C. OTHER SEDIMENT CONTROL MEASURES

Disturbed areas that do not drain to the sediment pond include:

- (a) one area, Price River pipeline, is an approved area exempted from sediment control. Reference report dated 5/11 & 12/1994, and
- (b) seven approved alternative sediment control areas.

4D. HYDROLOGIC BALANCE: WATER MONITORING

Water monitoring stations and sampling frequencies include:

- -French Drain/Pumphouse Bi-annually (CV1-W).
- -Ditch, NE Corner Bi-annually (CV14-W).
- -Pond 6 Discharge Monthly (CV15-W).
- -Surface Ditch/West Property Line Bi-annually (CV16-W).

The report for the third quarter 1998 was on file.

(Continuation sheet)

Page <u>4</u> of <u>5</u>

PERMIT NUMBER: ACT/007/022

DATE OF INSPECTION: 2/2/99

(Comments are Numbered to Correspond with Topics Listed Above)

4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS

UPDES reports were on file for the month of December and showed no discharge. SPCC plan is on file and is dated 1993.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The loadout is no longer washing coal. As a result thereof, the only material currently being stored on the refuse pile is sediment removed from the sediment ponds and alternative sediment control devices.

The third quarter refuse pile inspection is on file at the office.

13. REVEGETATION

The last vegetation monitoring required by the MRP was completed in 1997. A report is on file at the office. The report was prepared by Patrick Collins, Ph.D.

There are two vegetation test plots. One is located on the refuse pile and the other one on the northerly area adjacent to the Railco coal pile.

16A. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING

The roads are described in the MRP and have been classified as primary and ancillary roads. The primary roads are designed as haul roads. One segment is blacktopped and the other graveled. The ancillary roads are used infrequently and are traveled by vehicles and small trucks.

The primary road certification was reviewed as part of the record inspection.

The graveled haul road had been sprinkled with water as a dust abatement measure prior to the inspection. Some ancillary roads need to be graded as soon as weather conditions permit.

18. SUPPORT FACILITIES/UTILITY INSTALLATIONS

Surface facilities were constructed according to the MRP from 10/97 to 6/99 with minor amendments after that period. The site was purchased by UP&L and was disturbed prior to the passage of SMCRA.

(Continuation sheet)

Page <u>5</u> of <u>5</u>

PERMIT NUMBER: ACT/007/022

DATE OF INSPECTION: 2/2/99

(Comments are Numbered to Correspond with Topics Listed Above)

21. BONDING AND INSURANCE

The current bond surety bond amount is \$2,728,178.00. The midterm permit review determined the bond to reclaim the disturbed area is \$2,525,000.00. The bond in place totals \$2,728,178.00.

Liability Insurance is on file and covers the period 4/1/98 to 4/1/99. The permittee should renew the liability insurance.

OTHER:

The required maps are on file and are contained in the MRP.

- -Refuse pile is designed and shown on Figure 3-3B Refuse Pile
- -Road cross sections are shown on Plate 3-4 Roads
- -Railroad facilities are shown on Plate 3-5 Other Transportation
- -Price River pipeline water conveyance system is shown on Plate 3-8- -ASCA

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas, and Mining.

Copy of this Report:

Mailed to: Boyd Rhodes (Savage) Henry Austin (OSM)
Given to: Joe Helfrich (DOGM)

Filed to: Price Field Office

Date: <u>February 18, 1999</u>

Inspector's Signature: #26

Wm. J. Malencik